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# DEPARTMENT OF COMMERCE

**International Trade Administration** 

C-570-009

Calcium Hypochlorite from the People's Republic of China: Initiation of Countervailing Duty New Shipper Review; 2014-2015

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce

DATE: Effective Date: (Insert date of publication in the <u>Federal Register.</u>)

SUMMARY: The Department of Commerce ("the Department") is initiating a new shipper review ("NSR") of the countervailing duty ("CVD") order on calcium hypochlorite from the People's Republic of China ("PRC") with respect to Jingmei Chemical Products Sales Co., Ltd. ("Jingmei Chemical"). The period of review ("POR") for this NSR is May 27, 2014, through December 31, 2015.

FOR FURTHER INFORMATION CONTACT: Frances Veith, AD/CVD Operations, Office V, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington, DC 20230; telephone: 202-482-4295.

### SUPPLEMENTARY INFORMATION:

## **Background**

The CVD order on calcium hypochlorite from the PRC published in the <u>Federal Register</u> on January 30, 2015.<sup>1</sup> Pursuant to section 751(a)(2)(B)(i) of the Tariff Act of 1930, as amended ("the Act"), and 19 CFR 351.214(b), we received a request for a NSR of the order from Haixing

<sup>1</sup> <u>See Calcium Hypochlorite From the People's Republic of China: Countervailing Duty Order</u>, 80 FR 5082 (January 30, 2015) ("<u>Order</u>").

Jingmei Chemical.<sup>2</sup> Jingmei Chemical certified that it is the exporter of the subject merchandise upon which the request is based and that Haixing Eno Chemical Co., Ltd. ("Eno Chemical") is the producer of the subject merchandise.<sup>3</sup>

Pursuant to section 751(a)(2)(B)(i) of the Act and 19 CFR 351.214(b)(2)(ii)(A) and (B), Jingmei Chemical and Eno Chemical each certified that they did not export subject merchandise to the United States during the period of investigation ("POI").<sup>4</sup> In addition, pursuant to section 751(a)(2)(B)(i)(II) of the Act and 19 CFR 351.214(b)(2)(iii)(A), Jingmei Chemical and Eno Chemical each certified that, since the initiation of the investigation, it has never been affiliated with any PRC exporter or producer who exported subject merchandise to the United States during the POI, including those respondents not individually examined during the investigation.<sup>5</sup>

In addition to the certifications described above, pursuant to 19 CFR 351.214(b)(2)(iv), Jingmei Chemical submitted documentation establishing the following: (1) the date on which the subject merchandise was first entered or withdrawn from warehouse, for consumption; (2) the volume of its first shipment and subsequent shipments, if any; and (3) the date of its first sale to an unaffiliated customer in the United States.<sup>6</sup> Pursuant to 19 CFR 351.214(b)(2)(v), Jingmei Chemical certified that it informed the government of the PRC that it will be required to provide a full response to the Department's questionnaire.<sup>7</sup> On February 2, 2016, the

<sup>&</sup>lt;sup>2</sup> <u>See</u> Jingmei Chemical's letter to the Department regarding, "Calcium Hypochlorite from the People's Republic of China Entry of Appearance and Request for New Shipper Review," dated November 20, 2015 ("NSR Request").

<sup>3</sup> Id., at 3 and Exhibit 1.

 $<sup>^{4}</sup>$  <u>Id</u>., at Exhibit 1.

<sup>&</sup>lt;sup>5</sup> Id.

<sup>&</sup>lt;sup>6</sup> <u>See</u> NSR Request at 3-4 and Exhibit 2.

<sup>&</sup>lt;sup>7</sup> <u>Id.</u>, at Exhibit 1.

Department issued a pre-initiation supplemental questionnaire to Jingmei Chemical,<sup>8</sup> to which Jingmei provided a timely response.<sup>9</sup>

Finally, the Department conducted a U.S. Customs and Border Protection ("CBP") database query and confirmed the price and quantity reported of the sale by Jingmei Chemical that formed the basis for this new shipper request.<sup>10</sup>

### Period of Review

The Department's regulations state, in 19 CFR 351.214(g)(2), that the POR for a CVD NSR will be the same period as that specified in 19 CFR 351.213(e)(2), which states that the Department normally will cover entries of subject merchandise during the most recently completed calendar year. However, 19 CFR 351.213(e)(2)(ii) provides that for requests received during the first anniversary month after publication of an order, the review will cover entries or exports during the period from the date of suspension of liquidation to the end of the most recently completed calendar or fiscal year. Accordingly, the POR is May 27, 2014, through December 31, 2015.

### Initiation of New Shipper Review

Pursuant to section 751(a)(2)(B) of the Act, 19 CFR 351.214(b), and 19 CFR 351.214(d)(1), and based on the evidence provided by Jingmei Chemical, we find that its request meets the threshold requirements for initiation of the NSR for shipments of calcium hypochlorite

<sup>&</sup>lt;sup>8</sup> <u>See</u> Letter to Jingmei from the Department titled "<u>Calcium Hypochlorite from the People's Republic of China:</u> Request for New Shipper Review," dated February 2, 2016.

<sup>&</sup>lt;sup>9</sup> <u>See</u> Jingmei's pre-initiation supplemental questionnaire response regarding, Calcium Hypochlorite from the People's Republic of China Response to Department's Question About First Sale," February 8, 2016.

<sup>&</sup>lt;sup>10</sup> <u>See</u> Memorandum to the File from Frances Veith, Senior International Trade Analyst, Office V, Enforcement and Compliance, regarding "Calcium Hypochlorite from the People's Republic of China; U.S. Imports of Calcium Hypochlorite," dated concurrently with this notice.

from the PRC produced by Eno Chemical and exported by Jingmei Chemical.<sup>11</sup> If the information supplied by Jingmei Chemical is found to be incorrect or insufficient during the course of this proceeding, the Department may rescind the review for Jingmei Chemical or apply facts available pursuant to section 776 of the Act, depending on the facts on the record.

Absent a determination that the new shipper review is extraordinarily complicated, the Department intends to issue the preliminary results of this NSR within 180 days from the date of initiation and the final results within 90 days after the date on which the preliminary results are issued.<sup>12</sup>

We will instruct CBP to allow, at the option of the importer, the posting, until the completion of this review, of a bond or security in lieu of a cash deposit for each entry of the subject merchandise from the requesting company in accordance with section 751(a)(2)(B)(iii) of the Act and 19 CFR 351.214(e). Because Jingmei Chemical certified that Eno Chemical produced the subject merchandise that Jingmei Chemical exported, the sales of which are the basis for the NSR request, we will instruct CBP to permit the use of a bond only for subject merchandise that Eno Chemical produced and Jingmei Chemical exported.

Interested parties requiring access to proprietary information in this NSR should submit applications for disclosure under administrative protective order, in accordance with 19 CFR 351.305 and 19 CFR 351.306.

<sup>&</sup>lt;sup>11</sup> <u>See</u> Memorandum to the File, through Catherine Bertrand, Program Manager, Office V, Enforcement and Compliance, from Frances Veith, Senior International Trade Analyst, Office V, Enforcement and Compliance, titled "Initiation of CVD New Shipper Review: Calcium Hypochlorite from the People's Republic of China," dated concurrently with this notice.

<sup>&</sup>lt;sup>12</sup> See section 751(a)(2)(B)(iv) of the Act and 19 CFR 351.214(i).

This initiation and notice are in accordance with section 751(a)(2)(B) of the Act, 19 CFR 351.214, and 19 CFR 351.221(c)(1)(i).

Dated: February 29, 2016.

Christian Marsh
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations

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